

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

In Re:)	CHAPTER 11
)	
George W. Park Seed Co., Inc.,)	CASE NO. 10-02431-JW
)	
Park Seed Wholesale, Inc., and)	CASE NO. 10-02432-JW
)	
Jackson & Perkins Direct)	CASE NO. 10-02434-JW
Marketing,)	
)	
Debtors.)	(JOINT ADMINISTRATION REQUESTED)
)	

**MOTION FOR EMERGENCY HEARING ON JOINT ADMINISTRATION
OF THE RELATED CHAPTER 11 CASES**

PLEASE TAKE NOTICE THAT the undersigned, on behalf of George W. Park Seed Co., Inc. and its affiliates (“Debtors”), does hereby move before this Court for its order granting an emergency hearing with respect to the attached Motion of the Debtors for Entry of an Order Directing Joint Administration of the Related Chapter 11 Cases and proposed order which were filed on April 2, 2010 and are attached hereto. In support of this Motion for an expedited hearing and pursuant to SC LBR 9013-1(d), the Debtors state as follows:

Pursuant to the Motion of the Debtors for Entry of an Order Directing Joint Administration of the Related Chapter 11 Cases, Debtors seek entry of an order authorizing same. Given the integrated nature of the Debtors’ operations, joint administration of the Chapter 11 Cases will provide significant convenience without harming the substantive rights of any party in interest. The entry of an order directing joint administration of the Chapter 11 Cases will reduce fees and costs.

Counsel for the Debtors certifies that he has made good faith efforts to resolve this matter with the objecting party, but these efforts have been unsuccessful.

WHEREFORE, the Debtors request the Court enter its order granting its request for an expedited hearing on the attached Motion of the Debtors for Entry of an Order Directing Joint Administration of the Related Chapter 11 Cases.

/s/ R. Geoffrey Levy

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April 2, 2010

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

In Re:)	CHAPTER 11
)	
George W. Park Seed Co., Inc.,)	CASE NO. 10-02431-JW
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Park Seed Wholesale, Inc., and)	CASE NO. 10-02432-JW
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Jackson & Perkins Direct)	CASE NO. 10-02434-JW
Marketing,)	
)	
Debtors.)	(JOINT ADMINISTRATION REQUESTED)
)	

**MOTION OF THE DEBTORS FOR ENTRY OF AN ORDER DIRECTING
JOINT ADMINISTRATION OF THE RELATED CHAPTER 11 CASES**

George W. Park Seed Co., Inc. and its affiliates, Park Seed Wholesale, Inc. and, Jackson & Perkins Direct Marketing (or the “Debtors”), the above-captioned debtors-in-possession, hereby file this motion (the “Motion”) seeking entry of an order, in substantially the form attached hereto as Exhibit “A” directing the joint administration of the above-captioned chapter 11 cases pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). In support of this Motion, the Debtors respectfully submit the following:

JURISDICTION AND VENUE

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §1334 and Local Civil Rule 83.IX.01, D.S.C. This Motion is a core proceeding pursuant to 28 U.S.C. §157(b)(2)(A).
2. Venue is proper in this Court, pursuant to 28 U.S.C. §§1408 and 1409.

3. The statutory basis for the relief requested herein is Bankruptcy Rule 1015(b).

PROCEDURAL HISTORY

4. On the date hereof (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code, thereby commencing the above-captioned bankruptcy cases (the “Chapter 11 Cases”).
5. Since the Petition Date, the Debtors have continued to operate and manage their business as debtors-in-possession pursuant to §§1107(a) and 1108 of Title 11 of the United States Code (the “Bankruptcy Code”). No official Committees have been appointed or designated.

In addition, concurrently with this Motion, the Debtors have filed a motion seeking the appointment of a trustee for the Chapter 11 Cases.

BACKGROUND OF THE DEBTORS AND EVENTS LEADING TO
THE CHAPTER 11 CASES

A. **George W. Park Seed Company:**

George W. Park Seed Company (“Park Seed Company”) was founded in 1868, and is a direct marketing company that sells horticultural products to gardening customers under two main brands, Park Seed branded products and Wayside Gardens branded products. The Park Seed brand caters to seed customers offering seed and seed-related

horticulture products. The Wayside Gardens brand caters to gardening enthusiasts interested in premium plants. Park Seed Company is the parent company of Park Wholesale Company, Inc., a wholly owned subsidiary that markets and sells horticulture products to the small to medium sized customer. It is a South Carolina corporation with its principal place of business in Hodges, South Carolina.

Park Seed Company historically reached customers through seasonal catalog mailings. It had been owned wholly by the Park family until 2005, when Donald J. Hachenberger acquired a fifty (50%) per cent ownership interest. Park Seed Company continued to struggle financially in the ensuing years, and Mr. Hachenberger gained one hundred (100%) per cent ownership interest of the shares of the Company in 2008. The Company currently employs three hundred thirty (330) employees that perform functions for the various related entities from the Hodges, South Carolina site.

The Company has continued to work to mitigate losses resulting from increased catalog costs and a declining market. From 2005 to 2009, a focus was made to convert more sales from catalog sales to internet sales in an effort to lower advertising costs. Internet sales increased from twenty-four (24%) percent of sales to seventy (70%) per cent of sales during this time. Despite efforts to lower operating costs, the plunging economy continued to impact top line sales while overhead remained high. Park Seed Company's sales were \$25,770,000.00 in 2008, and \$16,887,000.00 in 2009. Faced with reduced sales and unable to meet its short and long term obligations, Park Seed Company enlisted the help of a restructuring firm to advise of its future opportunities. After a complete analysis of the Company's debt and future needs, it was determined that the best option was a Chapter 11 filing.

B. **Park Wholesale Company, Inc.:**

Park Wholesale Company, Inc. ("Park Wholesale") is a wholly owned subsidiary of Park Seed Company, and is operated from the Park Seed Company facility in Hodges, South Carolina. Historically, Park Wholesale had its own employees, but then also used Park Seed Company employees in support of its operation on an hourly basis. Currently, it does not employ any employees. The operations of Park Wholesale are being performed by Park Seed Company employees. Park Seed Company then invoices Park Wholesale for all labor costs bi-weekly.

Park Wholesale operates as a wholesale broker to small to medium sized growers, and fills a specific need in the marketplace not serviced by any other wholesale company. It markets and sells seeds, plants, pots, plugs, greenhouses and seed accessories through catalogs and in-house sales representatives. Park Wholesale has seen its business affected by the downturn in the economy, as well as the fact that many of its customers have been forced out of business in recent years. Its revenues have also been impacted by a lack of working capital that resulted in fewer vendors available to provide products to its customers.

Park Wholesale's revenues dropped to \$9,248,000.00 in 2009 from \$11,529,000.00 in 2008. Based on decreased revenues and a complete analysis of the Company's debt and future needs, it was determined that the best option was a Chapter 11 filing.

C. **Jackson and Perkins Company:**

Jackson and Perkins Company is a wholly owned subsidiary of J & P Acquisitions, Inc., a Delaware Corporation, with its principal place of business in Hodges, South Carolina. J & P Acquisitions was formed in 2007 for the purchase of Jackson and Perkins Company and Jackson and Perkins Wholesale, Inc. It is owned by Donald J. Hachenberger, Glenda Hachenberger and their children's trust. J & P Acquisitions purchased Jackson and Perkins Company in 2008, and moved the operation to the Park Seed Company facility in Hodges, South Carolina. It was thought to be a good match for the Park Seed Company's seasonal operation as a way to spread overhead by maximizing the use of the facility in historically slow times of the year. For example, the Jackson and Perkins' holiday gift business operates from the Hodges facility during a time that the facility had historically been dormant.

Jackson and Perkins was originally founded in 1872, and markets and sells premium roses to rose enthusiasts, as well as specialty gifts through its various direct marketing channels. It does not employ any employees, but is operated by labor provided by Park Seed Company employees. Jackson and Perkins is invoiced for the labor provided by Park Seed Company employees monthly.

The economy drastically impacted revenues of Jackson and Perkins in 2008 (\$24,781,000.00) and 2009 (\$17,483,000.00). As with many direct marketing and retail gift businesses, cost reductions could not be realized fast enough to counteract the drastic reduction in sales. It became increasingly clear that the company would not be able to meet its short needs and long term obligations. After a complete analysis of the financial condition of the company, it was determined that a Chapter 11 filing was the best option.

* George W. Park Seed Company provides for three hundred thirty (330) jobs, and an even greater number during peak seasons. It is an integral part of the Hodges/Greenwood community. It also provides needed revenues to various vendors and suppliers that are dependent upon its survival.

RELIEF REQUESTED

In order to optimally administer the Debtor's pending Chapter 11 Cases, by this Motion, Debtors seek entry of an order pursuant to Bankruptcy Rule 1015(b) authorizing the joint administration of the Chapter 11 Cases for procedural purposes only. Specifically, the Debtors request that the Clerk of the Court maintain one file and one docket for all of the jointly administered cases under the case number assigned to George W. Park Seed Co., Inc., and that the Chapter 11 Cases be administered under a consolidated caption.

BASIS FOR RELIEF REQUESTED

Bankruptcy Rule 1015(b) provides, in pertinent part, that "(i)f . . . two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the Court may order a joint administration of the estates." The Debtors are "affiliates" as that term is defined under §101(2) of the Bankruptcy Code. Accordingly, the Bankruptcy Code and Bankruptcy Rules authorize the Court to grant the relief requested herein.

Given the integrated nature of the Debtors' operations, joint administration of the Chapter 11 Cases will provide significant administrative convenience without harming the substantive rights of any party in interest. The entry of an order directing joint administration of the Chapter 11 Cases will reduce fees and costs.

NOTICE

Notice of this Motion has been provided by electronic mail, facsimile or overnight delivery to:

- (a) the Office of the United States Trustee for the District of South Carolina;
- (b) Wells Fargo Bank;
- (c) the Debtors' twenty (20) largest unsecured creditors (on a consolidated basis); and
- (d) all applicable government agencies to the extent required by the Bankruptcy Rules and the Local Rules.

WHEREFORE, the Debtors respectfully request that the Court enter an order, in substantially the form attached hereto as Exhibit "A", (a) directing the joint administration of the Chapter 11 Cases and (b) granting such other and further relief to which the Debtors may be entitled.

Respectfully Submitted,

/s/ R. Geoffrey Levy
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April 2, 2010

Columbia, South Carolina

**U.S. BANKRUPTCY COURT
District of South Carolina**

Case Number: 10-02431-JW
Case Number: 10-02432-JW
Case Number: 10-02434-JW

**ORDER DIRECTING JOINT ADMINISTRATION OF
THE DEBTORS' RELATED CHAPTER 11 CASES**

The relief set forth on the following pages, for a total of 4 pages including this page, is hereby **ORDERED**.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

In Re:)	CHAPTER 11
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Jackson & Perkins Direct)	CASE NO. 10-02434-JW
Marketing,)	
)	
Debtors.)	(JOINT ADMINISTRATION REQUESTED)
)	

**ORDER DIRECTING JOINT ADMINISTRATION OF
THE DEBTORS' RELATED CHAPTER 11 CASES**

Upon the motion (the "Motion") of George W. Park Seed Co., Inc. and its affiliates (or the "Debtors"), the above captioned debtors-in-possession, for entry of an order directing the joint administration of the above captioned Chapter 11 Cases (the "Order"); it appearing that the relief requested herein is in the best interests of the Debtors' estates, their creditors and other parties in interest; and it appearing that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. §157(b)(2); and it appearing that venue of this proceeding is proper pursuant to 28 U.S.C. §§1408 and 1409; and it appearing that notice of the Motion and opportunity for a hearing on the Motion was appropriate under the circumstances and that no other or further notice with respect to the Motion need be given; and after due deliberation and sufficient cause appearing therefore, it is HEREBY ORDERED:

1. The Motion is granted.
2. The Chapter 11 Cases are consolidated for procedural purposes only and shall be jointly administered by this Court under Case No. 10-02431-JW.
3. The consolidated caption of the jointly administered Chapter 11 Cases should read as follows:

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA**

In Re:) **CASE NO. 10-02431-JW**
)
George W. Park Seed Co., Inc.,) **CHAPTER 11**
et al,)
) **(JOINT ADMINISTRATION)**
Debtors.¹)
_____)

4. The Debtors also request that an entry be made in the docket of each of the Chapter 11 Cases, other than this case, that is substantially similar to the following:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure and Rule 1015-1 of the Local rules for the United States Bankruptcy Court for the District of South Carolina directing joint administration of the Chapter 11 Cases of George W. Park Seed Co., Inc. All further pleadings and other papers shall be filed in, and all further docket entries shall be made in, Case No. 10-02431-JW.

¹ The Debtors and the last four digits of their respective tax identification numbers are: George W. Park Seed Co., Inc. (5934); Park Seed Wholesale, Inc. (9864); and Jackson & Perkins Direct Marketing (2860).

5. One consolidated docket, one file and one consolidated service list shall be maintained by the Debtors and kept by the Clerk of the United States Bankruptcy Court for the District of South Carolina.
6. Nothing contained in the Motion or this Order shall be deemed or construed as directing or otherwise affecting substantive consolidation of the Debtors' Chapter 11 Cases.
7. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

AND IT IS SO ORDERED.